

Message Text

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PAGE 01 LAGOS 11063 071124Z
ACTION AF-10

INFO OCT-01 ISO-00 EB-08 TRSE-00 L-03 SP-02 ICA-20
AID-05 NSC-05 SS-15 STR-07 OMB-01 CEA-01 CAB-05
CIAE-00 DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00
PA-02 DOE-15 SOE-02 ABF-01 /113 W
-----130778 072223Z /70

R 070857Z SEP 78
FM AMEMBASSY LAGOS
TO SECSTATE WASHDC 397
INFO USDOC WASHDC
AMCONSUL KADUNA

UNCLAS LAGOS 11063

E.O. 11652: N/A
TAGS: EFIN, ENRG, EAIR, NI
SUBJECT: SUSPENSION OF RECIPROCAL TAX TREATY

REF: LAGOS 9621 AND PREVIOUS

FACT THAT FEDERAL MILITARY GOVERNMENT (FMG) RECOGNIZES
POSTED PRICE OF OIL FOR TAX PURPOSES WHILE ACTUAL SALES
PRICE OF OIL GOVERNS FOR U.S. TAX LAW MAY CAUSE SOME
FRICTION IN RENEGOTIATION OF U.S.-NIGERIA RECIPROCAL
TAX TREATY ACCORDING TO INLAND REVENUE DIRECTOR OLORUNLEKE.
OLORUNLEKE GAVE THIS STATUS REPORT ON TREATY TO EMBOFF
AFTER HAVING READ U.S. STANDARD DRAFT AGREEMENT. HE SAID
THAT FOR RECIPROCAL TAX CREDIT, U.S. ONLY RECOGNIZES THOSE
FOREIGN TAXES WHICH WOULD ALSO EXIST IN U.S. THIS COULD
MEAN THAT U.S. OIL COMPANIES OPERATING IN NIGERIA WILL BE
DOUBLY TAXED AND HENCE LESS PRONE TO MAKE NEW INVESTMENTS.
EMBOFF POINTED OUT THAT THIS MATTER IS CURRENTLY UNDER
REVIEW BY INTERNAL REVENUE SERVICE.

LEWIS

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, TAX AGREEMENTS
Control Number: n/a
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Draft Date: 07 sep 1978
Decapton Date: 01 jan 1960
Decapton Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Original Classification: UNCLASSIFIED
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Reference: 78 LAGOS 9621
Retention: 0
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SAS ID: 1521520
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TAGS: EFIN, ENRG, EAIR, NI
To: STATE
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vdkgvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/06076956-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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